

HOUSE BILL 1419  
By Jones U

AN ACT to amend Tennessee Code Annotated, Title 49,  
Chapter 3, relative to school finance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-3-317, is amended by deleting subsection (c) in its entirety and by substituting instead the following:

(c)

(1) If, as of July 1 of any school year, there has been a change since the beginning of the previous school term in the boundaries of an LEA or, pursuant to § 49-2-106, the creation or reactivation of an LEA, which involves the shifting of students from one (1) LEA to another, or two (2) or more LEAs enter into a joint agreement that results in the shifting of students from one (1) LEA to another, then, in the distribution of state education funds, the commissioner shall determine, on the basis of information submitted to the commissioner by the appropriate boards, the ADM of students residing in such affected area, involved in such shift.

(2) Except with respect to the shifting of students from one (1) LEA to another as a result of a joint agreement between two (2) or more LEAs, the commissioner shall make such adjustments in the ADM as may be necessary to effectuate an equitable distribution and division of funds as between the LEAs operating a system of public schools therein; such adjusted ADM shall be used in making the apportionment and distribution of state education funds.

SECTION 2. Tennessee Code Annotated, Section 49-3-317, is amended by adding the following as new subsection (e):

(e) In the event that two (2) or more LEAs enter into a joint agreement that results in a shifting of students from one (1) LEA to another, the commissioner shall upwardly adjust the ADM in favor of the LEA receiving students based on the number of students shifted; such adjusted ADM shall be used in making the apportionment and distribution of state education funds.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.